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INTELLIGENCE MEMORANDUM

SUPPLEMENTARY ANALYSIS OF DRAFT LAW ON PENSIONS IN THE USSR

CIA/RR IM-431-S-1

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WARNING

THIS MATERIAL CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE LAWS, TITLE 18, USC, SECS. 793 AND 794, THE TRANSMISSION OR REVELATION OF WHICH IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

CENTRAL INTELLIGENCE AGENCY
Office of Research and Reports

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FOREWORD

On 8 May 1956 the Soviet Council of Ministers published a draft law on state pensions to become effective on 1 October 1956 if approved by the Supreme Soviet. The provisions of this draft law were analyzed in detail in CIA/RR IM-431, 23 July 1956, SECRET. Following debate and amendment the Supreme Soviet approved a new pension law on 14 July 1956. This supplement to IM-431 discusses the changes in the draft made by the Supreme Soviet and presents additional information concerning costs of the new law.

SUPPLEMENTARY ANALYSIS OF DRAFT LAW ON PENSIONS IN THE USSR*

I. Significant Revisions of the Draft Law Made by the Supreme Soviet.

The provisions of the pension law as approved by the Supreme Soviet on 14 July 1956** are the same, in general, as those of the draft law of 8 May 1956 proposed by the Council of Ministers. Both the draft law and the new law provide old-age and disability pensions for workers and employees and for veterans, as well as survivors' pensions for their dependents. The new law liberalizes the draft law in several respects, however, and clarifies some of its provisions.

1. Old Age Pensions.

- a. Women who worked underground, in hot workshops, or under other unhealthy conditions are entitled to pensions at age 45 after 15 years of service instead of 16 years as provided in the draft law.
- b. The new law includes the additional provision that women who have borne 5 or more children and reared them to the age of 8 may receive a pension at age 50, provided they have worked 15 years.
- c. The new law provides a 10-percent increase in pensions for those employees with a total length of service (not necessarily uninterrupted) of 35 years for men and 30 years for women.

2. <u>Disability Pensions</u>.

- a. The new law includes specified age and length-of-service requirements for pension entitlement on account of disability from general illness. These requirements are essentially the same as under the existing law except that the length-of-service prerequisites for those disabled before age 31 are reduced by 1 year.
- b. The new law specifies the pensions to be paid to disabled servicemen who did not work before entry into military service. For

^{*} The estimates and conclusions contained in this memorandum represent the best judgment of ORR as of 9 August 1956.

^{**} Pravda, 15 July 1956, pp. 1-2. U. Eval. Doc.

service-connected disability the pensions under the new law range from 210 to 385 rubles per month depending on the degree of disability; under the existing law they range from 90 to 300 rubles. For non-service-connected disability the new pensions will range from 160 to 330 rubles per month compared with a range of from 70 to 120 at present. These pensions are increased by 10 percent for veterans who were noncommissioned officers.

Survivors Pensions.

The only significant change in survivors' pensions is the inclusion in the new law of a provision fixing pensions to be paid to survivors of deceased servicemen who had not worked before entry into military service. These pensions range from 160 to 300 rubles per month depending on the number of eligible survivors. Such pensions range from 40 to 80 rubles per month under existing arrangements.

II. Costs of Approved Pension Provisions.

According to Soviet Premier Bulganin,* the changes introduced into the draft law by action of the Supreme Soviet will cost 500 million rubles annually, bringing the total cost of the new provisions to 13.1 billion rubles annually. Bulganin also stated that total allocations for pensions in the 1956 budget were 25.1 billion rubles, including allowances for putting increased pensions into effect during the last quarter of the year. On the basis of these figures it is estimated that the new law will increase the cost of pensions in the USSR by about 60 percent.

^{*} Pravda, 15 July 1956, p. 4. U. Eval. Doc.

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